



# CONGRESSMAN HENRY A. WAXMAN NEWS

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## MEDICALLY NEEDY REGULATIONS

The Department of Health and Human Services yesterday issued regulations which will have a devastating impact on the health of hundreds of thousands of poor children.

Under the recent Budget Reconciliation Act, Congress decided that, if a State wants to cover medically needy persons, it must cover children up to 18 for ambulatory services. Under the Medicaid program, when the State chooses to cover the medically needy, the Federal government assists the States by matching their contribution for medical care.

The Department's regulations, published at the last minute without any real opportunity for comment, gut the coverage for needy children. In complete disregard of Congressional intent, the regulations would allow States to lower income and resource eligibility standards and set up their own so-called "reasonable" categories of children. In view of the massive losses in Federal funds that the States are experiencing as a result of the Administration's budget and tax policies, I am greatly concerned that many States will read these regulations as an invitation to cut out the children.

It seems that the Department has deliberately misread the law and the intent of the conferees in a reckless effort to punch further holes in the social safety net programs. I find it revealing that the Department has chosen the most vulnerable and defenseless class in our society -- poor children -- as the target for their budget slashing.